



3015 (02-09-04)

**ANNUAL REPORT**

OF

Name: PHILLIPS MUNICIPAL WATER WORKS

Principal Office: 174 SOUTH EYDER AVENUE  
P.O. BOX 21  
PHILLIPS, WI 54552-0021

For the Year Ended: DECEMBER 31, 2002

WATER, ELECTRIC, OR JOINT UTILITY  
TO  
PUBLIC SERVICE COMMISSION OF WISCONSIN

P.O. Box 7854  
Madison, WI 53707-7854  
(608) 266-3766

*This form is required under Wis. Stat. § 196.07. Failure to file the form by the statutory filing date can result in the imposition of a penalty under Wis. Stat. § 196.66. The penalty which can be imposed by this section of the statutes is a forfeiture of not less than \$25 nor more than \$5,000 for each violation. Each day subsequent to the filing date constitutes a separate and distinct violation. The filed form is available to the public and personally identifiable information may be used for purposes other than those related to public utility regulation.*

I LEE LAMOREAUX of  
(Person responsible for accounts)

am the person responsible for accounts; that I have examined the following report and, to the best of my knowledge, information and belief, it is a correct statement of the business and affairs of said utility for the period covered by the report in respect to each and every matter set forth therein.

MUNICIPAL CLERK TREASURER  
(Title)

**TABLE OF CONTENTS**

<b>Schedule Name</b>	<b>Page</b>
General Rules for Reporting	i
Signature Page	ii
Table of Contents	iii
Identification and Ownership	iv
 <b>FINANCIAL SECTION</b>	
Income Statement	F-01
Income Statement Account Details	F-02
Income from Merchandising, Jobbing & Contract Work (Accts. 415-416)	F-03
Revenues Subject to Wisconsin Remainder Assessment	F-04
Balance Sheet	F-05
Net Utility Plant	F-06
Accumulated Provision for Depreciation and Amortization of Utility Plant (Acct. 110)	F-07
Net Nonutility Property (Accts. 121 & 122)	F-08
Accumulated Provision for Uncollectible Accounts-Cr. (Acct. 144)	F-09
Materials and Supplies	F-10
Unamortized Debt Discount & Expense & Premium on Debt (Accts. 181 and 251)	F-11
Capital Paid in by Municipality (Acct. 200)	F-12
Bonds (Acct. 221)	F-13
Notes Payable & Miscellaneous Long-Term Debt	F-14
Taxes Accrued (Acct. 236)	F-15
Interest Accrued (Acct. 237)	F-16
Contributions in Aid of Construction (Account 271)	F-17
Balance Sheet End-of-Year Account Balances	F-18
Return on Rate Base Computation	F-19
Return on Proprietary Capital Computation	F-20
Important Changes During the Year	F-21
Financial Section Footnotes	F-22
 <b>WATER OPERATING SECTION</b>	
Water Operating Revenues & Expenses	W-01
Water Operating Revenues - Sales of Water	W-02
Sales for Resale (Acct. 466)	W-03
Other Operating Revenues (Water)	W-04
Water Operation & Maintenance Expenses	W-05
Taxes (Acct. 408 - Water)	W-06
Property Tax Equivalent (Water)	W-07
Water Utility Plant in Service	W-08
Source of Supply, Pumping and Purchased Water Statistics	W-10
Sources of Water Supply - Ground Waters	W-11
Sources of Water Supply - Surface Waters	W-12
Pumping & Power Equipment	W-13
Reservoirs, Standpipes & Water Treatment	W-14
Water Mains	W-15
Water Services	W-16
Meters	W-17
Hydrants and Distribution System Valves	W-18
Water Operating Section Footnotes	W-19

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**IDENTIFICATION AND OWNERSHIP**

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**Exact Utility Name:** PHILLIPS MUNICIPAL WATER WORKS**Utility Address:** 174 SOUTH EYDER AVENUE

P.O. BOX 21

PHILLIPS, WI 54552-0021

**When was utility organized?** 1/1/1924**Report any change in name:****Effective Date:****Utility Web Site:**

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**Utility employee in charge of correspondence concerning this report:**

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**Name:** MR JOHN MARTWICK**Title:** UTILITY SUPERINTENDENT**Office Address:**

P.O. BOX 21

PHILLIPS, WI 54555-0021

**Telephone:** (715) 339 - 3125**Fax Number:** (715) 339 - 3265**E-mail Address:** philpsch@win.bright.net

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**Individual or firm, if other than utility employee, preparing this report:**

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**Name:** LYNN LUTZ**Title:** CPA**Office Address:** LUTZ & BOHL, CPAS

1181 N FOURTH AVE

P.O. BOX 525

PARK FALLS, WI 54552

**Telephone:** (715) 762 - 4909**Fax Number:** (715) 762 - 3359**E-mail Address:** lynnlutz@pctcnet.net

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**President, chairman, or head of utility commission/board or committee:**

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**Name:** LEON NAMTZU**Title:** COMMITTEE CHAIR**Office Address:**

P.O. BOX 21

PHILLIPS, WI 54555

**Telephone:** (715) 339 - 3125**Fax Number:****E-mail Address:**

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**Are records of utility audited by individuals or firms, other than utility employee?** YES

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**IDENTIFICATION AND OWNERSHIP**

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**Individual or firm, if other than utility employee, auditing utility records:**

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**Name:** LYNN M. LUTZ**Title:** PARTNER**Office Address:** LUTZ & BOHL CPAS  
1181 N FOURTH AVE  
P.O. BOX 525  
PARK FALLS, WI 54552**Telephone:** (715) 762 - 4909**Fax Number:** (715) 762 - 3359**E-mail Address:** lynnlutz@pctcnet.net**Date of most recent audit report:** 2/19/2003**Period covered by most recent audit:** 2002

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**Names and titles of utility management including manager or superintendent:**

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**Name:** JOHN MARTWICK**Title:** UTILITY MANAGER**Office Address:**  
P.O. BOX 21  
PHILLIPS, WI 54555**Telephone:** (715) 339 - 3125**Fax Number:****E-mail Address:**

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**Name of utility commission/committee:** BOARD OF PUBLIC WORKS

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**Names of members of utility commission/committee:**

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MR BILL MCBAIN, COMMISSION MEMBER  
MR LEON NAMTZU, COMMISSION MEMBER  
MR JOE PERKINS, CHAIRMAN

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**Is sewer service rendered by the utility?** YES**If "yes," has the municipality, by ordinance, combined the water and sewer service into a single public utility, as provided by Wis. Stat. § 66.0819 of the Wisconsin Statutes?** YES**Date of Ordinance:**

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**Are any of the utility administrative or operational functions under contract or agreement with an outside provider for the year covered by this annual report and/or current year (i.e., operation of water or sewer treatment plant)?** NO

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**Provide the following information regarding the provider(s) of contract services:**

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## IDENTIFICATION AND OWNERSHIP

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**Firm Name:**

**Contact Person:**

**Title:**

**Telephone:**

**Fax Number:**

**E-mail Address:**

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**Contract/Agreement beginning-ending dates:**

**Provide a brief description of the nature of Contract Operations being provided:**

**INCOME STATEMENT**

<b>Particulars (a)</b>	<b>This Year (b)</b>	<b>Last Year (c)</b>	
<b>UTILITY OPERATING INCOME</b>			
Operating Revenues (400)	323,156	328,033	1
<b>Operating Expenses:</b>			
Operation and Maintenance Expense (401)	156,135	132,884	2
Depreciation Expense (403)	60,381	59,641	3
Amortization Expense (404)	0	0	4
Taxes (408)	62,793	60,776	5
<b>Total Operating Expenses</b>	<b>279,309</b>	<b>253,301</b>	
<b>Net Operating Income</b>	<b>43,847</b>	<b>74,732</b>	
Income from Utility Plant Leased to Others (412-413)	0	0	6
<b>Utility Operating Income</b>	<b>43,847</b>	<b>74,732</b>	
<b>OTHER INCOME</b>			
Income from Merchandising, Jobbing and Contract Work (415-416)	0	0	7
Nonoperating Rental Income (418)	0	0	8
Interest and Dividend Income (419)	21,253	29,805	9
Miscellaneous Nonoperating Income (421)	80,034	152,973	10
<b>Total Other Income</b>	<b>101,287</b>	<b>182,778</b>	
<b>Total Income</b>	<b>145,134</b>	<b>257,510</b>	
<b>MISCELLANEOUS INCOME DEDUCTIONS</b>			
Miscellaneous Amortization (425)	0	0	11
Other Income Deductions (426)	0	0	12
<b>Total Miscellaneous Income Deductions</b>	<b>0</b>	<b>0</b>	
<b>Income Before Interest Charges</b>	<b>145,134</b>	<b>257,510</b>	
<b>INTEREST CHARGES</b>			
Interest on Long-Term Debt (427)	75,849	61,668	13
Amortization of Debt Discount and Expense (428)		0	14
Amortization of Premium on Debt--Cr. (429)			15
Interest on Debt to Municipality (430)	2,338	3,842	16
Other Interest Expense (431)	0	0	17
Interest Charged to Construction--Cr. (432)			18
<b>Total Interest Charges</b>	<b>78,187</b>	<b>65,510</b>	
<b>Net Income</b>	<b>66,947</b>	<b>192,000</b>	
<b>EARNED SURPLUS</b>			
Unappropriated Earned Surplus (Beginning of Year) (216)	(234,695)	(426,695)	19
Balance Transferred from Income (433)	66,947	192,000	20
Miscellaneous Credits to Surplus (434)	0	0	21
Miscellaneous Debits to Surplus--Debit (435)	0	0	22
Appropriations of Surplus--Debit (436)	0	0	23
Appropriations of Income to Municipal Funds--Debit (439)	0	0	24
<b>Total Unappropriated Earned Surplus End of Year (216)</b>	<b>(167,748)</b>	<b>(234,695)</b>	

**INCOME STATEMENT ACCOUNT DETAILS**

1. Report each item (when individually or when like items are combined) greater than \$10,000 (class AB), \$5,000 (class C) and \$2,000 (class D) and all other lesser amounts grouped as Miscellaneous. Describe fully using other than account titles.
2. Nonregulated sewer income should be reported as Miscellaneous Nonoperating Income, Account 421.

Description of Item (a)	Amount (b)	
<b>Revenues from Utility Plant Leased to Others (412):</b>		
NONE		1
<b>Total (Acct. 412):</b>	0	
<b>Expenses of Utility Plant Leased to Others (413):</b>		
NONE		2
<b>Total (Acct. 413):</b>	0	
<b>Nonoperating Rental Income (418):</b>		
NONE		3
<b>Total (Acct. 418):</b>	0	
<b>Interest and Dividend Income (419):</b>		
INTEREST ON CASH INVESTMENTS	21,253	4
<b>Total (Acct. 419):</b>	21,253	
<b>Miscellaneous Nonoperating Income (421):</b>		
NON-REGULATED SEWER INCOME	80,034	5
<b>Total (Acct. 421):</b>	80,034	
<b>Miscellaneous Amortization (425):</b>		
NONE		6
<b>Total (Acct. 425):</b>	0	
<b>Other Income Deductions (426):</b>		
NONE		7
<b>Total (Acct. 426):</b>	0	
<b>Miscellaneous Credits to Surplus (434):</b>		
NONE		8
<b>Total (Acct. 434):</b>	0	
<b>Miscellaneous Debits to Surplus (435):</b>		
NONE		9
<b>Total (Acct. 435)--Debit:</b>	0	
<b>Appropriations of Surplus (436):</b>		
Detail appropriations to (from) account 215		10
<b>Total (Acct. 436)--Debit:</b>	0	
<b>Appropriations of Income to Municipal Funds (439):</b>		
NONE		11
<b>Total (Acct. 439)--Debit:</b>	0	



**INCOME FROM MERCHANDISING, JOBBING & CONTRACT WORK (ACCTS. 415-416)**

<b>Particulars (a)</b>	<b>Water (b)</b>	<b>Electric (c)</b>	<b>Sewer (d)</b>	<b>Gas (e)</b>	<b>Total (f)</b>	
Revenues (account 415)					<b>0</b>	<b>1</b>
<b>Costs and Expenses of Merchandising, Jobbing and Contract Work (416):</b>						
Cost of merchandise sold					<b>0</b>	<b>2</b>
Payroll					<b>0</b>	<b>3</b>
Materials					<b>0</b>	<b>4</b>
Taxes					<b>0</b>	<b>5</b>
<b>Other (list by major classes):</b>						
NONE					<b>0</b>	<b>6</b>
<b>Total costs and expenses</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	
<b>Net income (or loss)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	

**REVENUES SUBJECT TO WISCONSIN REMAINDER ASSESSMENT**

1. Report data necessary to calculate revenue subject to Wisconsin remainder assessment pursuant to Wis. Stat. § 196.85(2) and Wis. Admin. Code Ch. PSC 5.
2. If the sewer department is not regulated by the PSC, do not report sewer department data in column (d).

<b>Description (a)</b>	<b>Water Utility (b)</b>	<b>Electric Utility (c)</b>	<b>Sewer Utility (Regulated Only) (d)</b>	<b>Gas Utility (e)</b>	<b>Total (f)</b>	
Total operating revenues	323,156	0	0	0	<b>323,156</b>	<b>1</b>
Less: interdepartmental sales	0		0	0	<b>0</b>	<b>2</b>
Less: interdepartmental rents					<b>0</b>	<b>3</b>
Less: return on net investment in meters charged to regulated sewer department. (Do not report if nonregulated sewer.)	0				<b>0</b>	<b>4</b>
Less: uncollectibles directly expensed as reported in water acct. 904 (690 class D), sewer acct. 843, and electric acct. 904 (590 class D) -or- Net write-offs when Accumulated Provision for Uncollectible Accounts (acct. 144) is maintained					<b>0</b>	<b>5</b>
<b>Other Increases or (Decreases) to Operating Revenues - Specify:</b>						
NONE					<b>0</b>	<b>6</b>
<b>Revenues subject to Wisconsin Remainder Assessment</b>	<b>323,156</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>323,156</b>	

**BALANCE SHEET**

<b>Assets and Other Debits (a)</b>	<b>Balance End of Year (b)</b>	<b>Balance First of Year (c)</b>	
<b>UTILITY PLANT</b>			
Utility Plant (100)	3,079,607	3,016,922	<b>1</b>
Less: Accumulated Provision for Depreciation and Amortization of Utility Plant (110)	769,175	712,660	<b>2</b>
<b>Net Utility Plant</b>	<b>2,310,432</b>	<b>2,304,262</b>	
<b>OTHER PROPERTY AND INVESTMENTS</b>			
Nonutility Property (121)	5,753,021	4,477,375	<b>3</b>
Less: Accumulated Provision for Depreciation and Amortization of Nonutility Property (122)	1,071,748	0	<b>4</b>
<b>Net Nonutility Property</b>	<b>4,681,273</b>	<b>4,477,375</b>	
Investment in Municipality (123)	0	0	<b>5</b>
Other Investments (124)	0	0	<b>6</b>
Special Funds (125)	0	0	<b>7</b>
<b>Total Other Property and Investments</b>	<b>4,681,273</b>	<b>4,477,375</b>	
<b>CURRENT AND ACCRUED ASSETS</b>			
Cash and Working Funds (131)		22,583	<b>8</b>
Temporary Cash Investments (132)	925,273	927,857	<b>9</b>
Notes Receivable (141)	110,028	105,101	<b>10</b>
Customer Accounts Receivable (142)	82,015	79,574	<b>11</b>
Other Accounts Receivable (143)	102,293	97,026	<b>12</b>
Accumulated Provision for Uncollectible Accounts- -Cr. (144)	0	0	<b>13</b>
Receivables from Municipality (145)	8,206	8,267	<b>14</b>
Materials and Supplies (150)	10,114	13,517	<b>15</b>
Prepayments (165)	0	0	<b>16</b>
Other Current and Accrued Assets (170)			<b>17</b>
<b>Total Current and Accrued Assets</b>	<b>1,237,929</b>	<b>1,253,925</b>	
<b>DEFERRED DEBITS</b>			
Unamortized Debt Discount and Expense (181)	0	0	<b>18</b>
Extraordinary Property Losses (182)	0	0	<b>19</b>
Other Deferred Debits (183)	1,981	5,941	<b>20</b>
<b>Total Deferred Debits</b>	<b>1,981</b>	<b>5,941</b>	
<b>Total Assets and Other Debits</b>	<b>8,231,615</b>	<b>8,041,503</b>	

**BALANCE SHEET**

<b>Liabilities and Other Credits (a)</b>	<b>Balance End of Year (b)</b>	<b>Balance First of Year (c)</b>	
<b>PROPRIETARY CAPITAL</b>			
Capital Paid in by Municipality (200)	2,236,439	2,180,447	<b>21</b>
Appropriated Earned Surplus (215)			<b>22</b>
Unappropriated Earned Surplus (216)	(167,748)	(234,695)	<b>23</b>
<b>Total Proprietary Capital</b>	<b>2,068,691</b>	<b>1,945,752</b>	
<b>LONG-TERM DEBT</b>			
Bonds (221)	2,964,546	2,726,147	<b>24</b>
Advances from Municipality (223)	41,960	64,660	<b>25</b>
Other long-Term Debt (224)	0	0	<b>26</b>
<b>Total Long-Term Debt</b>	<b>3,006,506</b>	<b>2,790,807</b>	
<b>CURRENT AND ACCRUED LIABILITIES</b>			
Notes Payable (231)	0	0	<b>27</b>
Accounts Payable (232)	9,181	114,712	<b>28</b>
Payables to Municipality (233)	11,941	11,108	<b>29</b>
Customer Deposits (235)			<b>30</b>
Taxes Accrued (236)	0	0	<b>31</b>
Interest Accrued (237)	9,139	31,577	<b>32</b>
Other Current and Accrued Liabilities (238)			<b>33</b>
<b>Total Current and Accrued Liabilities</b>	<b>30,261</b>	<b>157,397</b>	
<b>DEFERRED CREDITS</b>			
Unamortized Premium on Debt (251)	0	0	<b>34</b>
Customer Advances for Construction (252)			<b>35</b>
Other Deferred Credits (253)	0	0	<b>36</b>
<b>Total Deferred Credits</b>	<b>0</b>	<b>0</b>	
<b>OPERATING RESERVES</b>			
Miscellaneous Operating Reserves (265)			<b>37</b>
<b>Total Operating Reserves</b>	<b>0</b>	<b>0</b>	
<b>CONTRIBUTIONS IN AID OF CONSTRUCTION</b>			
Contributions in Aid of Construction (271)	3,126,157	3,147,547	<b>38</b>
<b>Total Liabilities and Other Credits</b>	<b>8,231,615</b>	<b>8,041,503</b>	

**NET UTILITY PLANT**

Report utility plant accounts and related accumulated provisions for depreciation and amortization after allocation of common plant accounts and related provisions for depreciation and amortization to utility departments as of December 31.

<b>Particulars (a)</b>	<b>Water (b)</b>	<b>Sewer (c)</b>	<b>Gas (d)</b>	<b>Electric (e)</b>	
<b>Plant Accounts:</b>					
Utility Plant in Service (100)	3,079,607	0	0	0	<b>1</b>
Utility Plant Purchased or Sold (391)					<b>2</b>
Utility Plant in Process of Reclassification (392)					<b>3</b>
Utility Plant Leased to Others (393)					<b>4</b>
Property Held for Future Use (394)					<b>5</b>
Construction Work in Progress (395)					<b>6</b>
Utility Plant Acquisition Adjustments (396)					<b>7</b>
Other Utility Plant Adjustments (397)					<b>8</b>
<b>Total Utility Plant</b>	<b>3,079,607</b>	<b>0</b>	<b>0</b>	<b>0</b>	
<b>Accumulated Provision for Depreciation and Amortization:</b>					
Accumulated Provision for Depreciation of Utility Plant in Service (110)	769,175	0	0	0	<b>9</b>
<b>Total Accumulated Provision</b>	<b>769,175</b>	<b>0</b>	<b>0</b>	<b>0</b>	
<b>Net Utility Plant</b>	<b>2,310,432</b>	<b>0</b>	<b>0</b>	<b>0</b>	

## ACCUMULATED PROVISION FOR DEPRECIATION AND AMORTIZATION OF UTILITY PLANT (ACCT. 110)

Depreciation Accruals (Credits) during the year:

1. Report the amounts charged in the operating sections to Depreciation Expense (403).
2. If sewer operations are nonregulated, do not report sewer depreciation on this schedule.
3. Report the Depreciation Expense on Meters charged to sewer operations as an addition in the Water column.  
If the sewer is also a regulated utility by the PSC, report an equal amount as a reduction in the Sewer column.
4. Report all other accruals charged to other accounts, such as to clearing accounts.

Particulars (a)	Water (b)	(c)	(d)	(e)	Total (f)	
<b>Balance first of year</b>	712,660				<b>712,660</b>	<b>1</b>
<b>Credits During Year</b>						<b>2</b>
<b>Accruals:</b>						<b>3</b>
Charged depreciation expense (403)	60,381				<b>60,381</b>	<b>4</b>
Depreciation expense on meters						<b>5</b>
charged to sewer (see Note 3)	584				<b>584</b>	<b>6</b>
Accruals charged other						<b>7</b>
accounts (specify):						<b>8</b>
					<b>0</b>	<b>9</b>
Salvage					<b>0</b>	<b>10</b>
Other credits (specify):						<b>11</b>
					<b>0</b>	<b>12</b>
<b>Total credits</b>	<b>60,965</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>60,965</b>	<b>13</b>
<b>Debits during year</b>						<b>14</b>
Book cost of plant retired	4,450				<b>4,450</b>	<b>15</b>
Cost of removal					<b>0</b>	<b>16</b>
Other debits (specify):						<b>17</b>
					<b>0</b>	<b>18</b>
<b>Total debits</b>	<b>4,450</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>4,450</b>	<b>19</b>
<b>Balance End of Year</b>	<b>769,175</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>769,175</b>	<b>20</b>
<b>Composite Depreciation Rate?</b>	Yes					<b>21</b>
If yes, what is the rate?	2.00%					<b>22</b>

**NET NONUTILITY PROPERTY (ACCTS. 121 & 122)**

1. Report separately each item of property with a book cost of \$5,000 or more included in account 121.
2. Other items may be grouped by classes of property.
3. Describe in detail any investment in sewer department carried in this account.

<b>Description (a)</b>	<b>Balance First of Year (b)</b>	<b>Additions During Year (c)</b>	<b>Deductions During Year (d)</b>	<b>Balance End of Year (e)</b>	
Nonregulated sewer plant	4,477,375	1,275,646		5,753,021	1
<b>Other (specify):</b>					
NONE	0			0	2
<b>Total Nonutility Property (121)</b>	<b>4,477,375</b>	<b>1,275,646</b>	<b>0</b>	<b>5,753,021</b>	
Less accum. prov. depr. & amort. (122)	0	1,071,748		1,071,748	3
<b>Net Nonutility Property</b>	<b>4,477,375</b>	<b>203,898</b>	<b>0</b>	<b>4,681,273</b>	

**ACCUMULATED PROVISION FOR UNCOLLECTIBLE ACCOUNTS-CR. (ACCT. 144)**

<b>Particulars (a)</b>	<b>Amount (b)</b>	
Balance first of year	0	1
<b>Additions:</b>		
Provision for uncollectibles during year		2
Collection of accounts previously written off: Utility Customers		3
Collection of accounts previously written off: Others		4
<b>Total Additions</b>	<u>0</u>	
<b>Deductions:</b>		
Accounts written off during the year: Utility Customers		5
Accounts written off during the year: Others		6
<b>Total accounts written off</b>	<u>0</u>	
<b>Balance end of year</b>	<u><u>0</u></u>	



**MATERIALS AND SUPPLIES**

<b>Account (a)</b>	<b>Generation (b)</b>	<b>Transmission (c)</b>	<b>Distribution (d)</b>	<b>Other (e)</b>	<b>Total End of Year (f)</b>	<b>Amount Prior Year (g)</b>	
<b>Electric Utility</b>							
Fuel for generation					0	0	1
Other					0	0	2
<b>Total Electric Utility</b>					<b>0</b>	<b>0</b>	

<b>Account</b>	<b>Total End of Year</b>	<b>Amount Prior Year</b>	
Electric utility total	0	0	1
Water utility	6,331	9,587	2
Sewer utility	3,783	3,930	3
Gas utility		0	4
Merchandise		0	5
Other materials & supplies		0	6
<b>Total Materials and Supplies</b>	<b>10,114</b>	<b>13,517</b>	

## UNAMORTIZED DEBT DISCOUNT & EXPENSE & PREMIUM ON DEBT (ACCTS. 181 AND 251)

Report net discount and expense or premium separately for each security issue.

Debt Issue to Which Related (a)	Written Off During Year		Balance End of Year (d)	
	Amount (b)	Account Charged or Credited (c)		
<b>Unamortized debt discount &amp; expense (181)</b>				
NONE				1
<b>Total</b>			0	
<b>Unamortized premium on debt (251)</b>				
NONE				2
<b>Total</b>			0	

**CAPITAL PAID IN BY MUNICIPALITY (ACCT. 200)**

Report each item (when individually or when like items are combined) greater than \$10,000 (class AB), \$5,000 (class C) and \$2,000 (class D, sewer and privates) and all other lesser amounts grouped as Miscellaneous. Describe fully using other than account titles.

<b>Particulars (a)</b>	<b>Amount (b)</b>	
Balance first of year	2,180,447	<b>1</b>
<b>Changes during year (explain):</b>		
CONSTRUCTION PAID BY TIF DISTRICT FUNDS	55,992	<b>2</b>
<b>Balance end of year</b>	<b>2,236,439</b>	

**BONDS (ACCT. 221)**

1. Report hereunder information required for each separate issue of bonds.
2. If there is more than one interest rate for an aggregate obligation issue, average the interest rates and report one rate.
3. Proceeds advanced by the municipality from sale of general obligation bonds, if repayable by utility, should be included in account 223.

<b>Description of Issue (a)</b>	<b>Date of Issue (b)</b>	<b>Final Maturity Date (c)</b>	<b>Interest Rate (d)</b>	<b>Principal Amount End of Year (e)</b>	
FIRST WISCONSIN TRUST REVENUE	07/15/1998	07/15/2018	4.40%	855,000	<b>1</b>
CLEAN WATER FUND REVENUE BOND	05/01/2001	05/01/2021	2.78%	2,109,546	<b>2</b>
<b>Total Bonds (Account 221):</b>				<b>2,964,546</b>	

**NOTES PAYABLE & MISCELLANEOUS LONG-TERM DEBT**

1. Report each class of debt included in Accounts 223, 224 and 231.
2. Proceeds of general obligation issues, if subject to repayment by the utility, should be included in Account 223.
3. If there is more than one interest rate for an aggregate obligation issue, average the interest rates and report one rate.

Account and Description of Obligation (a and b)	Date of Issue (c)	Final Maturity Date (d)	Interest Rate (e)	Principal Amount End of Year (f)	
<b>Advances (223)</b>					
PORTION OF GEN OBLIGATION BOND ISSUE	01/23/1994	03/01/2004	4.73%	41,960	1
<b>Total for Account 223</b>				<b>41,960</b>	

**TAXES ACCRUED (ACCT. 236)**

<b>Particulars (a)</b>	<b>Amount (b)</b>	
Balance first of year	0	1
<b>Accruals:</b>		
Charged water department expense	62,901	2
Charged electric department expense		3
Charged sewer department expense	6,249	4
<b>Other (explain):</b>		
NONE		5
<b>Total Accruals and other credits</b>	<b>69,150</b>	
<b>Taxes paid during year:</b>		
County, state and local taxes	58,579	6
Social Security taxes	10,571	7
PSC Remainder Assessment		8
<b>Other (explain):</b>		
NONE		9
<b>Total payments and other debits</b>	<b>69,150</b>	
<b>Balance end of year</b>	<b>0</b>	

**INTEREST ACCRUED (ACCT. 237)**

1. Report below interest accrued on each utility obligation.
2. Report Customer Deposits under Account 231.

Description of Issue (a)	Interest Accrued Balance First of Year (b)	Interest Accrued During Year (c)	Interest Paid During Year (d)	Interest Accrued Balance End of Year (e)	
<b>Bonds (221)</b>					
CLEAN WATER FUND BOND ISSUE	9,759	52,154	53,504	8,409	1
FIRST WISCONSIN TRUST BOND	20,703	23,695	44,398	0	2
<b>Subtotal</b>	<b>30,462</b>	<b>75,849</b>	<b>97,902</b>	<b>8,409</b>	
<b>Advances from Municipality (223)</b>					
PORTION OF GENERAL OBLIGATION BOND ISSUE	1,115	2,338	2,723	730	3
<b>Subtotal</b>	<b>1,115</b>	<b>2,338</b>	<b>2,723</b>	<b>730</b>	
<b>Other long-Term Debt (224)</b>					
NONE	0			0	4
<b>Subtotal</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	
<b>Notes Payable (231)</b>					
NONE	0			0	5
<b>Subtotal</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	
<b>Total</b>	<b>31,577</b>	<b>78,187</b>	<b>100,625</b>	<b>9,139</b>	

**CONTRIBUTIONS IN AID OF CONSTRUCTION (ACCOUNT 271)**

Particulars (a)	Water (b)	Electric		Sewer (e)	Gas (f)	Total (g)	
		Distribution (c)	Other (d)				
Balance First of Year	1,402,186	0	0	1,745,361	0	<b>3,147,547</b>	<b>1</b>
<b>Add credits during year:</b>							
For Services	5,054			2,471		<b>7,525</b>	<b>2</b>
For Mains						<b>0</b>	<b>3</b>
<b>Other (specify):</b>							
NONE						<b>0</b>	<b>4</b>
<b>Deduct charges (specify):</b>							
GRANT AMORTIZATION				28,915		<b>28,915</b>	<b>5</b>
<b>Balance End of Year</b>	<b>1,407,240</b>	<b>0</b>	<b>0</b>	<b>1,718,917</b>	<b>0</b>	<b>3,126,157</b>	
Amount of federal and state grants in aid received for utility construction included in End of Year totals				427,255		<b>427,255</b>	<b>6</b>



**BALANCE SHEET END-OF-YEAR ACCOUNT BALANCES**

Report each item (when individually or when like items are combined) greater than \$10,000 (class AB), \$5,000 (class C) and \$2,000 (class D) and all other lesser amounts grouped as Miscellaneous. Describe fully using other than account titles.

Particulars (a)	Balance End of Year (b)	
<b>Investment in Municipality (123):</b>		
NONE		1
<b>Total (Acct. 123):</b>	<b>0</b>	
<b>Other Investments (124):</b>		
NONE		2
<b>Total (Acct. 124):</b>	<b>0</b>	
<b>Special Funds (125):</b>		
NONE		3
<b>Total (Acct. 125):</b>	<b>0</b>	
<b>Notes Receivable (141):</b>		
ADVANCE TO TAX INCREMENT DISTRICTS FOR CAPITAL PROJECTS	110,028	4
<b>Total (Acct. 141):</b>	<b>110,028</b>	
<b>Customer Accounts Receivable (142):</b>		
Water	82,015	5
Electric		6
Sewer (Regulated)		7
<b>Other (specify):</b>		
NONE		8
<b>Total (Acct. 142):</b>	<b>82,015</b>	
<b>Other Accounts Receivable (143):</b>		
Sewer (Non-regulated)	102,293	9
Merchandising, jobbing and contract work		10
<b>Other (specify):</b>		
NONE		11
<b>Total (Acct. 143):</b>	<b>102,293</b>	
<b>Receivables from Municipality (145):</b>		
SPEC ASSESSMENTS/DEL UTILITY/ROI ON METERS	8,206	12
<b>Total (Acct. 145):</b>	<b>8,206</b>	
<b>Prepayments (165):</b>		
NONE		13
<b>Total (Acct. 165):</b>	<b>0</b>	
<b>Extraordinary Property Losses (182):</b>		
NONE		14
<b>Total (Acct. 182):</b>	<b>0</b>	
<b>Other Deferred Debits (183):</b>		
DEFERRED CHARGES PER PSC LETTER DATED 11/30/99	1,981	15
<b>Total (Acct. 183):</b>	<b>1,981</b>	

**BALANCE SHEET END-OF-YEAR ACCOUNT BALANCES**

Report each item (when individually or when like items are combined) greater than \$10,000 (class AB), \$5,000 (class C) and \$2,000 (class D) and all other lesser amounts grouped as Miscellaneous. Describe fully using other than account titles.

<b>Particulars (a)</b>	<b>Balance End of Year (b)</b>	
<b>Payables to Municipality (233):</b>		
ONGOING TRANSFERS	11,941	16
<b>Total (Acct. 233):</b>	<b>11,941</b>	
<b>Other Deferred Credits (253):</b>		
NONE		17
<b>Total (Acct. 253):</b>	<b>0</b>	

**RETURN ON RATE BASE COMPUTATION**

1. The data used in calculating rate base are averages.
2. Calculate those averages by summing the first-of-year and the end-of-year figures for each account and then dividing the sum by two.
3. Note: Do not include property held for future use or construction work in progress with utility plant in service. These are not rate base components.

<b>Average Rate Base (a)</b>	<b>Water (b)</b>	<b>Electric (c)</b>	<b>Sewer (d)</b>	<b>Gas (e)</b>	<b>Total (f)</b>	
<b>Add Average:</b>						
Utility Plant in Service	3,048,264	0	0	0	<b>3,048,264</b>	<b>1</b>
Materials and Supplies	7,959	0	0	0	<b>7,959</b>	<b>2</b>
<b>Other (specify):</b>						
NONE					<b>0</b>	<b>3</b>
<b>Less Average:</b>						
Reserve for Depreciation	740,917	0	0	0	<b>740,917</b>	<b>4</b>
Customer Advances for Construction					<b>0</b>	<b>5</b>
Contributions in Aid of Construction	1,404,713	0	0	0	<b>1,404,713</b>	<b>6</b>
<b>Other (specify):</b>						
NONE					<b>0</b>	<b>7</b>
<b>Average Net Rate Base</b>	<b>910,593</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>910,593</b>	
Net Operating Income	43,847	0	0	0	<b>43,847</b>	<b>8</b>
<b>Net Operating Income as a percent of Average Net Rate Base</b>	<b>4.82%</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>4.82%</b>	

**RETURN ON PROPRIETARY CAPITAL COMPUTATION**

1. The data used in calculating proprietary capital are averages.
2. Calculate those averages by summing the first-of-year and end-of-year figures for each account and then dividing by two.

Description (a)	Amount (b)	
<b>Average Proprietary Capital</b>		
Capital Paid in by Municipality	2,208,443	1
Appropriated Earned Surplus	0	2
Unappropriated Earned Surplus	(201,221)	3
<b>Other (Specify):</b>		
NONE		4
<b>Total Average Proprietary Capital</b>	<b>2,007,222</b>	
<b>Net Income</b>		
Net Income	66,947	5
<b>Percent Return on Proprietary Capital</b>	<b>3.34%</b>	

## **IMPORTANT CHANGES DURING THE YEAR**

**Report changes of any of the following types:**

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**1. Acquisitions.**

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**2. Leaseholder changes.**

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**3. Extensions of service.**

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**4. Estimated changes in revenues due to rate changes.**

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**5. Obligations incurred or assumed, excluding commercial paper.**

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**6. Formal proceedings with the Public Service Commission.**

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**7. Any additional matters.**

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## FINANCIAL SECTION FOOTNOTES

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### Interest Accrued (Acct. 237) (Page F-16)

FIRST WISCONSIN BOND HAS NO ACCRUED INTEREST AT YEAR END BECAUSE JAN 03  
PAYMENT INVOICED AND MADE DEC 02

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### Contributions in Aid of Construction (Account 271) (Page F-17)

ADDITIONS FROM SPECIAL ASSESSMENTS ON TAX ROLL, NO CURRENT YEAR CONSTRUCTION  
ASSOCIATED WITH THESE ADDITIONS

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## FINANCIAL SECTION FOOTNOTES

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### Identification and Ownership - Contacts (Page iv)

No response; re-review in 2003. If there are questions in 2003, discuss with Bruce how to proceed.

sent certified (receipt acknowledgement required):  
August 13, 2003

Mr. John Martwick, Superintendent  
Phillips Municipal Water Works  
P.O. Box 21  
Phillips, WI 54552-0021

Re: 2002 Analytical Review DWCCA-4640-ELE

Dear Mr. Martwick:

The Public Service Commission (Commission) staff has completed its analytical review of your utility's 2002 annual report. The primary purpose of the analytical review is to detect possible reporting or accounting related errors and also to identify significant fluctuations from prior years' data that are not sufficiently explained in the annual report. The analytical review did identify the following issues:

1. On Page F-18, an amount is reported in Account 233 described as "ongoing transfers". The head note to this schedule requests that amounts greater than \$2,000, even grouped items, be fully described. Please furnish a complete explanation.
2. On Page W-7, the 1994 property tax equivalent was not reported. That amount was \$52,367 according to our records and should be reported in all future reports.
3. On Page W-7, the amount reported for Utility Plant Jan. 1 does not agree with the amount reported in 2001 on Page F-6. Please furnish an explanation.
4. In 2000, a 6-inch service was reported added on Page W-16 and a schedule footnote indicated that a customer paid for the service. As of today's date, dollars have not been added in Account 345, Services, Page W-8 or Account 271, Contributions, Page F-17. Please furnish an explanation.
5. Enclosed is our calculation of the Public Fire Protection Service charge for 2000, 2001 and 2002. It appears that Public Fire Protection Service was undercharged all three years. Please furnish an explanation of the difference. A significant undercharge should be collected in 2003 and reported on the "other" line in Account 463, Page W-4 and explained as a prior year adjustment.

Responding to the questions posed from the analytical review does not preclude you from possibly receiving other inquiries from our office regarding your annual report in the future: for instance, during a rate case, construction authorization, or other Commission reviews.

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## FINANCIAL SECTION FOOTNOTES

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We appreciate your cooperation in providing the above information. If you have any questions, please feel free to contact me at (608) 266-3768. Please respond within 30 days of this letter. We prefer that you respond by e-mail if it is convenient for you to do so. My e-mail address is elaine.engelke@psc.state.wi.us. If we have no questions regarding your response, you can consider the review closed.

Sincerely,

Elaine Engelke  
Financial Specialist  
Division of Water, Compliance, and Consumer Affairs

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Phillips.doc

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**WATER OPERATING REVENUES & EXPENSES**

<b>Particulars (a)</b>		<b>Amounts (b)</b>	
<b>Operating Revenues</b>			
<b>Sales of Water</b>			
Sales of Water (460-467)		321,266	1
<b>Total Sales of Water</b>		<b>321,266</b>	
<b>Other Operating Revenues</b>			
Forfeited Discounts (470)		842	2
Other Water Revenues (474)		1,048	3
Amortization of Construction Grants (475)		0	4
<b>Total Other Operating Revenues</b>		<b>1,890</b>	
<b>Total Operating Revenues</b>		<b>323,156</b>	
<b>Operation and Maintenance Expenses</b>			
Plant Operation and Maintenance Expenses (600-660)		93,090	5
General Operating Expenses (680-690)		63,045	6
<b>Total Operation and Maintenance Expenses</b>		<b>156,135</b>	
<b>Other Operating Expenses</b>			
Depreciation Expense (403)		60,381	7
Amortization Expense (404)			8
Taxes (408)		62,793	9
<b>Total Other Operating Expenses</b>		<b>123,174</b>	
<b>Total Operating Expenses</b>		<b>279,309</b>	
<b>NET OPERATING INCOME</b>		<b>43,847</b>	

**WATER OPERATING REVENUES - SALES OF WATER**

1. Where customer meters record cubic feet, multiply by 7.48 to obtain number of gallons.
2. Report estimated gallons for unmetered sales.
3. Sales to multiple dwelling buildings through a single meter serving 3 or more family units should be classified commercial.
4. Account 460, Unmetered Sales to General Customers - Gallons of Water Sold should not include in any way quantity of water, i.e. metered, or measured by tank or pool volume. The quantity should be estimated based on size of pipe, flow, foot of frontage, etc. Bulk water sales should be Account 460 if the quantity is estimated and should be Account 461 if metered or measured by volume. Water related to construction should be a measured sale of water (either Account 461 or Account 464).
5. Other accounts: see application Help files for details.

Particulars (a)	Average No. Customers (b)	Thousands of Gallons of Water Sold (c)	Amounts (d)	
<b>Operating Revenues</b>				
<b>Sales of Water</b>				
Unmetered Sales to General Customers (460)				
Residential				1
Commercial	1	18	199	2
Industrial				3
<b>Total Unmetered Sales to General Customers (460)</b>	<b>1</b>	<b>18</b>	<b>199</b>	
Metered Sales to General Customers (461)				
Residential	589	20,800	76,527	4
Commercial	169	18,000	53,155	5
Industrial	20	44,000	58,056	6
<b>Total Metered Sales to General Customers (461)</b>	<b>778</b>	<b>82,800</b>	<b>187,738</b>	
Private Fire Protection Service (462)	11		8,358	7
Public Fire Protection Service (463)	1		110,397	8
Other Sales to Public Authorities (464)	20	5,100	14,574	9
Sales to Irrigation Customers (465)				10
Sales for Resale (466)		0	0	11
Interdepartmental Sales (467)				12
<b>Total Sales of Water</b>	<b>811</b>	<b>87,918</b>	<b>321,266</b>	

**SALES FOR RESALE (ACCT. 466)**

Use a separate line for each delivery point.

<b>Customer Name</b> <b>(a)</b>	<b>Point of Delivery</b> <b>(b)</b>	<b>Thousands of Gallons Sold</b> <b>(c)</b>	<b>Revenues</b> <b>(d)</b>
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NONE

**OTHER OPERATING REVENUES (WATER)**

1. Report revenues relating to each account and fully describe each item using other than the account title.
2. Report each item (when individually or when like items are combined) greater than \$10,000 (class AB), \$5,000 (class C) and \$2,000 (class D and privates) and all other lesser amounts grouped as Miscellaneous.
3. For a combined utility which also provides sewer service that is based upon water readings, report the return on net investment in meters charged to sewer department in Other Water Revenues (474).

Particulars (a)	Amount (b)	
<b>Public Fire Protection Service (463):</b>		
Amount billed (usually per rate schedule F-1 or Fd-1)	110,397	1
Wholesale fire protection billed		2
Amount billed for fighting fires outside utility's service areas (usually per rate schedule F-2 or BW-1)		3
<b>Other (specify):</b>		
NONE		4
<b>Total Public Fire Protection Service (463)</b>	<b>110,397</b>	
<b>Forfeited Discounts (470):</b>		
Customer late payment charges	842	5
<b>Other (specify):</b>		
NONE		6
<b>Total Forfeited Discounts (470)</b>	<b>842</b>	
<b>Other Water Revenues (474):</b>		
Return on net investment in meters charged to sewer department	221	7
<b>Other (specify):</b>		
MISC CHARGES	827	8
<b>Total Other Water Revenues (474)</b>	<b>1,048</b>	
<b>Amortization of Construction Grants (475):</b>		
NONE		9
<b>Total Amortization of Construction Grants (475)</b>	<b>0</b>	

**WATER OPERATION & MAINTENANCE EXPENSES**

Each expense account that has an increase or a decrease when compared to the previous year of greater than 30 percent, but not less than \$2,000, shall be fully explained in the schedule footnotes.

Particulars (a)	Amount (b)	
<b>PLANT OPERATION AND MAINTENANCE EXPENSES</b>		
Salaries and Wages (600)	49,352	1
Purchased Water (610)		2
Fuel or Power Purchased for Pumping (620)	14,584	3
Chemicals (630)	11,823	4
Supplies and Expenses (640)	11,782	5
Repairs of Water Plant (650)	5,549	6
Transportation Expenses (660)		7
<b>Total Plant Operation and Maintenance Expenses</b>	<b>93,090</b>	
<b>GENERAL OPERATING EXPENSES</b>		
Administrative and General Salaries (680)	15,227	8
Office Supplies and Expenses (681)	2,839	9
Outside Services Employed (682)	12,629	10
Insurance Expense (684)	2,614	11
Employees Pensions and Benefits (686)	29,736	12
Regulatory Commission Expenses (688)		13
Miscellaneous General Expenses (689)		14
Uncollectible Accounts (690)		15
<b>Total General Operating Expenses</b>	<b>63,045</b>	
<b>Total Operation and Maintenance Expenses</b>	<b>156,135</b>	

**TAXES (ACCT. 408 - WATER)**

When allocation of taxes is made between departments, explain method used.
--

<b>Description of Tax (a)</b>	<b>Method Used to Allocate Between Departments (b)</b>	<b>Amount (c)</b>	
Property Tax Equivalent		58,687	1
Less: Local and School Tax Equivalent on Meters Charged to Sewer Department		618	2
<b>Net property tax equivalent</b>		<b>58,069</b>	
Social Security	ACTUAL \$ PAYROLL	4,832	3
PSC Remainder Assessment	REFUND	(108)	4
Other (specify): NONE			5
<b>Total tax expense</b>		<b>62,793</b>	

**PROPERTY TAX EQUIVALENT (WATER)**

1. No property tax equivalent shall be determined for sewer utilities or town sanitary district water utilities.
2. Tax rates are those issued in November (usually) of the year being reported and are available from the municipal treasurer. Report the tax rates in mills to six (6) decimal places.
3. The assessment ratio is available from the municipal treasurer. Report the ratio as a decimal to six (6) places.
4. The utility plant balance first of year should include the gross book values of plant in service, property held for future use and construction work in progress.
5. An "other tax rate" is included in the "Net Local and School Tax Rate Calculation" to the extent that it is local. An example is a local library tax. Fully explain the rate in the Property Tax Equivalent schedule footnotes.
6. The Property Tax Equivalent to be reported for the year is determined pursuant to Wis. Stat § 66.0811(2). Report the higher of the current year calculation or the tax equivalent reported in the 1994 PSC annual report, unless, the municipality has authorized a lower amount, then that amount is reported as the property tax equivalent.
7. If the municipality has authorized a lower amount, the authorization description and date of the authorization must be reported in the Property Tax Equivalent schedule footnotes.

Particulars (a)	Units (b)	Total (c)	County A (d)	County B (e)	County C (f)	County D (g)	
County name			Price				1
<b>SUMMARY OF TAX RATES</b>							2
State tax rate	mills		0.215248				3
County tax rate	mills		6.361049				4
Local tax rate	mills		10.565610				5
School tax rate	mills		8.533574				6
Voc. school tax rate	mills		2.083171				7
Other tax rate - Local	mills		0.000000				8
Other tax rate - Non-Local	mills		0.000000				9
<b>Total tax rate</b>	mills		<b>27.758652</b>				10
Less: state credit	mills		0.937811				11
<b>Net tax rate</b>	mills		<b>26.820841</b>				12
<b>PROPERTY TAX EQUIVALENT CALCULATION</b>							13
<b>Local Tax Rate</b>	mills		<b>10.565610</b>				14
<b>Combined School Tax Rate</b>	mills		<b>10.616745</b>				15
<b>Other Tax Rate - Local</b>	mills		<b>0.000000</b>				16
<b>Total Local &amp; School Tax</b>	mills		<b>21.182355</b>				17
<b>Total Tax Rate</b>	mills		<b>27.758652</b>				18
<b>Ratio of Local and School Tax to Total</b>	dec.		<b>0.763090</b>				19
<b>Total tax net of state credit</b>	mills		<b>26.820841</b>				20
<b>Net Local and School Tax Rate</b>	mills		<b>20.466721</b>				21
Utility Plant, Jan. 1	\$	<b>3,079,607</b>	3,079,607				22
Materials & Supplies	\$	<b>6,331</b>	6,331				23
<b>Subtotal</b>	\$	<b>3,085,938</b>	<b>3,085,938</b>				24
Less: Plant Outside Limits	\$	<b>0</b>	0				25
<b>Taxable Assets</b>	\$	<b>3,085,938</b>	<b>3,085,938</b>				26
Assessment Ratio	dec.		0.929200				27
<b>Assessed Value</b>	\$	<b>2,867,454</b>	<b>2,867,454</b>				28
<b>Net Local &amp; School Rate</b>	mills		<b>20.466721</b>				29
<b>Tax Equiv. Computed for Current Year</b>	\$	<b>58,687</b>	<b>58,687</b>				30
Tax Equivalent per 1994 PSC Report	\$						31
Any lower tax equivalent as authorized by municipality (see note 6)	\$						32
<b>Tax equiv. for current year (see note 6)</b>	\$	<b>58,687</b>					34

**WATER UTILITY PLANT IN SERVICE**

1. All adjustments, corrections and reclassifications should be reported in Column (f), Adjustments.
2. Explain fully as a schedule footnote the nature of all entries reported in Column (f), Adjustments.
3. Explain as a schedule footnote the dollar additions and retirements reported in Columns (c) and (e) for each account over \$10,000 not supported by statistical schedules.
4. Use only the account titles listed. If the utility has subaccounts other than account 372.1, combine them into one total and detail by subaccount as a schedule footnote.

Accounts (a)	Balance First of Year (b)	Additions During Year (c)	
<b>INTANGIBLE PLANT</b>			
Organization (301)	0		1
Franchises and Consents (302)	0		2
Miscellaneous Intangible Plant (303)	0		3
<b>Total Intangible Plant</b>	<b>0</b>	<b>0</b>	
<b>SOURCE OF SUPPLY PLANT</b>			
Land and Land Rights (310)	13,538		4
Structures and Improvements (311)	711		5
Collecting and Impounding Reservoirs (312)	0		6
Lake, River and Other Intakes (313)	0		7
Wells and Springs (314)	115,025		8
Infiltration Galleries and Tunnels (315)	0		9
Supply Mains (316)	0		10
Other Water Source Plant (317)	0		11
<b>Total Source of Supply Plant</b>	<b>129,274</b>	<b>0</b>	
<b>PUMPING PLANT</b>			
Land and Land Rights (320)	0		12
Structures and Improvements (321)	121,335		13
Boiler Plant Equipment (322)	0		14
Other Power Production Equipment (323)	0		15
Steam Pumping Equipment (324)	0		16
Electric Pumping Equipment (325)	21,640		17
Diesel Pumping Equipment (326)	0		18
Hydraulic Pumping Equipment (327)	0		19
Other Pumping Equipment (328)	9,151		20
<b>Total Pumping Plant</b>	<b>152,126</b>	<b>0</b>	
<b>WATER TREATMENT PLANT</b>			
Land and Land Rights (330)	0		21
Structures and Improvements (331)	0		22
Water Treatment Equipment (332)	326,330		23
<b>Total Water Treatment Plant</b>	<b>326,330</b>	<b>0</b>	
<b>TRANSMISSION AND DISTRIBUTION PLANT</b>			
Land and Land Rights (340)	7,076		24
Structures and Improvements (341)	0		25



**WATER UTILITY PLANT IN SERVICE (cont.)**

<b>Accounts (d)</b>	<b>Retirements During Year (e)</b>	<b>Adjustments Increase or (Decrease) (f)</b>	<b>Balance End of Year (g)</b>	
<b>INTANGIBLE PLANT</b>				
Organization (301)			0	1
Franchises and Consents (302)			0	2
Miscellaneous Intangible Plant (303)			0	3
<b>Total Intangible Plant</b>	<b>0</b>	<b>0</b>	<b>0</b>	
<b>SOURCE OF SUPPLY PLANT</b>				
Land and Land Rights (310)			13,538	4
Structures and Improvements (311)			711	5
Collecting and Impounding Reservoirs (312)			0	6
Lake, River and Other Intakes (313)			0	7
Wells and Springs (314)			115,025	8
Infiltration Galleries and Tunnels (315)			0	9
Supply Mains (316)			0	10
Other Water Source Plant (317)			0	11
<b>Total Source of Supply Plant</b>	<b>0</b>	<b>0</b>	<b>129,274</b>	
<b>PUMPING PLANT</b>				
Land and Land Rights (320)			0	12
Structures and Improvements (321)			121,335	13
Boiler Plant Equipment (322)			0	14
Other Power Production Equipment (323)			0	15
Steam Pumping Equipment (324)			0	16
Electric Pumping Equipment (325)			21,640	17
Diesel Pumping Equipment (326)			0	18
Hydraulic Pumping Equipment (327)			0	19
Other Pumping Equipment (328)			9,151	20
<b>Total Pumping Plant</b>	<b>0</b>	<b>0</b>	<b>152,126</b>	
<b>WATER TREATMENT PLANT</b>				
Land and Land Rights (330)			0	21
Structures and Improvements (331)			0	22
Water Treatment Equipment (332)			326,330	23
<b>Total Water Treatment Plant</b>	<b>0</b>	<b>0</b>	<b>326,330</b>	
<b>TRANSMISSION AND DISTRIBUTION PLANT</b>				
Land and Land Rights (340)			7,076	24
Structures and Improvements (341)			0	25

**WATER UTILITY PLANT IN SERVICE**

1. All adjustments, corrections and reclassifications should be reported in Column (f), Adjustments.
2. Explain fully as a schedule footnote the nature of all entries reported in Column (f), Adjustments.
3. Explain as a schedule footnote the dollar additions and retirements reported in Columns (c) and (e) for each account over \$10,000 not supported by statistical schedules.
4. Use only the account titles listed. If the utility has subaccounts other than account 372.1, combine them into one total and detail by subaccount as a schedule footnote.

Accounts (a)	Balance First of Year (b)	Additions During Year (c)	
<b>TRANSMISSION AND DISTRIBUTION PLANT</b>			
Distribution Reservoirs and Standpipes (342)	150,100		26
Transmission and Distribution Mains (343)	1,872,829	55,991	27
Fire Mains (344)	0		28
Services (345)	139,425	10,592	29
Meters (346)	58,114	552	30
Hydrants (348)	158,134		31
Other Transmission and Distribution Plant (349)	0		32
<b>Total Transmission and Distribution Plant</b>	<b>2,385,678</b>	<b>67,135</b>	
<b>GENERAL PLANT</b>			
Land and Land Rights (370)	0		33
Structures and Improvements (371)	0		34
Office Furniture and Equipment (372)	0		35
Computer Equipment (372.1)	0		36
Transportation Equipment (373)	0		37
Other General Equipment (379)	0		38
Other Tangible Property (390)	23,514		39
<b>Total General Plant</b>	<b>23,514</b>	<b>0</b>	
<b>Total utility plant in service directly assignable</b>	<b>3,016,922</b>	<b>67,135</b>	
Common Utility Plant Allocated to Water Department	0		40
<b>Total utility plant in service</b>	<b>3,016,922</b>	<b>67,135</b>	

**WATER UTILITY PLANT IN SERVICE (cont.)**

<b>Accounts (d)</b>	<b>Retirements During Year (e)</b>	<b>Adjustments Increase or (Decrease) (f)</b>	<b>Balance End of Year (g)</b>	
<b>TRANSMISSION AND DISTRIBUTION PLANT</b>				
Distribution Reservoirs and Standpipes (342)			150,100	26
Transmission and Distribution Mains (343)			1,928,820	27
Fire Mains (344)			0	28
Services (345)	4,400		145,617	29
Meters (346)	50		58,616	30
Hydrants (348)			158,134	31
Other Transmission and Distribution Plant (349)			0	32
<b>Total Transmission and Distribution Plant</b>	<b>4,450</b>	<b>0</b>	<b>2,448,363</b>	
<b>GENERAL PLANT</b>				
Land and Land Rights (370)			0	33
Structures and Improvements (371)			0	34
Office Furniture and Equipment (372)			0	35
Computer Equipment (372.1)			0	36
Transportation Equipment (373)			0	37
Other General Equipment (379)			0	38
Other Tangible Property (390)			23,514	39
<b>Total General Plant</b>	<b>0</b>	<b>0</b>	<b>23,514</b>	
<b>Total utility plant in service directly assignable</b>	<b>4,450</b>	<b>0</b>	<b>3,079,607</b>	
Common Utility Plant Allocated to Water Department			0	40
<b>Total utility plant in service</b>	<b>4,450</b>	<b>0</b>	<b>3,079,607</b>	

**SOURCE OF SUPPLY, PUMPING AND PURCHASED WATER STATISTICS**

Expanded definitions of the three types of accounted-for water reported on this schedule are included in the schedule Help and in the Reference Manual Schedule Reference Sheet.

Month (a)	Sources of Water Supply			Total Gallons All Methods (000's) (e)	
	Purchased Water Gallons (000's) (b)	Surface Water Gallons (000's) (c)	Ground Water Gallons (000's) (d)		
January			7,804	7,804	1
February			7,074	7,074	2
March			7,426	7,426	3
April			8,413	8,413	4
May			8,307	8,307	5
June			8,527	8,527	6
July			8,992	8,992	7
August			9,190	9,190	8
September			8,731	8,731	9
October			9,792	9,792	10
November			7,721	7,721	11
December			7,965	7,965	12
<b>Total annual pumpage</b>	<b>0</b>	<b>0</b>	<b>99,942</b>	<b>99,942</b>	
Less: Water sold				87,918	13
Volume pumped but not sold				12,024	14
Volume sold as a percent of volume pumped				88%	15
Volume used for water production, water quality and system maintenance				1,000	16
Volume related to equipment/system malfunction					17
Non-utility volume NOT included in water sales					18
Total volume not sold but accounted for				1,000	19
Volume pumped but unaccounted for				11,024	20
Percent of water lost				11%	21
If more than 25%, indicate causes and state what action has been taken to reduce water loss:					22
Maximum gallons pumped by all methods in any one day during reporting year (000 gal.)				811	23
Date of maximum: 10/7/2002					24
Cause of maximum:					25
UNKNOWN					
Minimum gallons pumped by all methods in any one day during reporting year (000 gal.)				159	26
Date of minimum: 12/25/2002					27
Total KWH used for pumping for the year				222,446	28
If water is purchased: Vendor Name:					29
Point of Delivery:					30

**SOURCES OF WATER SUPPLY - GROUND WATERS**

<b>Location (a)</b>	<b>Identification Number (b)</b>	<b>Depth in feet (c)</b>	<b>Well Diameter in inches (d)</b>	<b>Yield Per Day in gallons (e)</b>	<b>Currently In Service? (f)</b>	
STAND-BY 1964	4	45	24	1,701	No	<b>1</b>
STAND-BY 1971	5	46	10	2,134	No	<b>2</b>
ACTIVE	6	70	8	342,320	Yes	<b>3</b>

**SOURCES OF WATER SUPPLY - SURFACE WATERS**

<b>Location (a)</b>	<b>Intakes</b>			
	<b>Identification Number (b)</b>	<b>Distance From Shore in feet (c)</b>	<b>Depth Below Surface in feet (d)</b>	<b>Diameter in inches (e)</b>
NONE				

1

**PUMPING & POWER EQUIPMENT**

1. Use a separate column for each pump.
2. Indicate purpose of pump by: P for primary (from source to reservoir, treatment or distribution system), B for booster (from reservoir or treatment to distribution system, or within distribution system), or S for standby pumping equipment.
3. Indicate destination (of water pumped) by: R for reservoir, T for treatment or D for distribution system.

<b>Particulars (a)</b>	<b>Unit A (b)</b>	<b>Unit B (c)</b>	<b>Unit C (d)</b>	
Identification	4	5	6	<b>1</b>
Location	CITY	CITY	CITY	<b>2</b>
Purpose	S	S	P	<b>3</b>
Destination	T	T	T	<b>4</b>
Pump Manufacturer	LAYNE	LAYNE	LAYNE	<b>5</b>
Year Installed	1964	1971	1979	<b>6</b>
Type	VERTICAL TURBINE	VERTICAL TURBINE	VERTICAL TURBINE	<b>7</b>
Actual Capacity (gpm)	340	310	345	<b>8</b>
Pump Motor or Standby Engine Mfr	FAIRBANKS	GE	US ELECTRIC	<b>10</b>
Year Installed	1964	1971	1979	<b>11</b>
Type	ELECTRIC	ELECTRIC	ELECTRIC	<b>12</b>
Horsepower	25	30	50	<b>13</b>

<b>Particulars (a)</b>	<b>Unit D (b)</b>	<b>Unit E (c)</b>	<b>Unit F (d)</b>	
Identification				<b>14</b>
Location				<b>15</b>
Purpose				<b>16</b>
Destination				<b>17</b>
Pump Manufacturer				<b>18</b>
Year Installed				<b>19</b>
Type				<b>20</b>
Actual Capacity (gpm)				<b>21</b>
Pump Motor or Standby Engine Mfr				<b>22</b>
Year Installed				<b>23</b>
Type				<b>24</b>
Horsepower				<b>25</b>
				<b>26</b>

**RESERVOIRS, STANDPIPES & WATER TREATMENT**

1. Identify as R (reservoir), S (standpipe) & ET (elevated tank).
2. Use a separate column for each using additional copies if necessary.
3. Enter elevation difference between highest water level in S or ET, (or R only on an elevated site) and the water main where the connection to the storage begins branching into the distribution system.

<b>Particulars (a)</b>	<b>Unit A (b)</b>	<b>Unit B (c)</b>	<b>Unit C (d)</b>
Identification number or name	1	2	1
<b>RESERVOIRS, STANDPIPES OR ELEVATED TANKS</b>			2
			3
Type: R (reservoir), S (standpipe) or ET (elevated tank)	S	S	4
			5
Year constructed	1924	1971	6
			7
Primary material (earthen, steel, concrete, other)	STEEL	STEEL	8
			9
Elevation difference in feet (See Headnote 3.)	118	144	10
			11
Total capacity in gallons (actual)	100,000	250,000	12
<b>WATER TREATMENT PLANT</b>			13
Disinfection, type of equipment (gas, liquid, powder, other)	GAS	GAS	14
			15
Points of application (wellhouse, central facilities, booster station, other)	WELLHOUSE	WELLHOUSE	16
			17
Filters, type (gravity, pressure, other, none)	NONE	NONE	18
			19
Rated capacity of filter plant (m.g.d.) (note: 1,200,000 gal/day = 1.2 m.g.d.)	0.0000	0.0000	20
			21
Is a corrosion control chemical used (yes, no)?	Y	Y	22
			23
Is water fluoridated (yes, no)?	Y	Y	24
			25



**WATER MAINS**

1. Report mains separately by pipe material, function, diameter and either within or outside the municipal boundaries.
2. Identify pipe material as: L (Lead), M (Metal for all other metal excluding lead), A (Asbestos-cement), or P (Plastic for plastic and all other non-metal excluding asbestos-cement).
3. Identify function as: T (Transmission), D (Distribution) or S (Supply).
4. Explain all reported adjustments as a schedule footnote.
5. For main additions reported in column (e), as a schedule footnote:
  - a. Explain how the additions were financed.
  - b. If assessed against property owners, explain the basis of the assessments.
  - c. If the assessments are deferred, explain.

Number of Feet							
Pipe Material (a)	Main Function (b)	Diameter in Inches (c)	First of Year (d)	Added During Year (e)	Retired During Year (f)	Adjustments Increase or (Decrease) (g)	End of Year (h)
M	D	2.000	460	0	0	0	460
M	D	4.000	166	0	0	0	166
M	S	4.000	23	0	0	0	23
M	D	6.000	38,555	0	0	0	38,555
M	S	6.000	41,455	0	0	0	41,455
M	T	6.000	60	0	0	0	60
M	D	8.000	3,100	0	0	0	3,100
M	S	8.000	4,397	261	0	0	4,658
M	T	8.000	42	0	0	0	42
M	D	10.000	6,084	0	0	0	6,084
M	S	10.000	808	0	0	0	808
M	D	12.000	13,995	0	0	0	13,995
M	S	12.000	5,519	0	0	0	5,519
M	D	14.000	6,838	235	0	0	7,073
<b>Total Within Municipality</b>			<b>121,502</b>	<b>496</b>	<b>0</b>	<b>0</b>	<b>121,998</b>
<b>Total Utility</b>			<b>121,502</b>	<b>496</b>	<b>0</b>	<b>0</b>	<b>121,998</b>

**WATER SERVICES**

1. Explain all reported adjustments as a schedule footnote.
2. Report in column (h) the number of utility-owned services included in columns (c) through (g) which are temporarily shut off at the curb box or otherwise not in use at end of year.
3. For services added during the year in column (d), as a schedule footnote:
  - a. Explain how the additions were financed.
  - b. If assessed against property owners, explain the basis of the assessments.
  - c. If installed by a property owner or developer, explain the basis of recording the cost of the additions, the total amount and the number of services recorded under this method.
  - d. If any were financed by application of Cz-1, provide the total amount recorded and the number of services recorded under this method.
4. Report services separately by pipe material and diameter.
5. Identify pipe material as: L (Lead), M (Metal for all other metal excluding lead), A (Asbestos-cement) or P (Plastic for plastic and all other non-metal excluding asbestos-cement).

Pipe Material (a)	Diameter in Inches (b)	First of Year (c)	Added During Year (d)	Removed or Permanently Disconnected During Year (e)	Adjustments Increase or (Decrease) (f)	End of Year (g)	Utility Owned Services Not In Use at End of Year (h)	
A	0.625	682	0	0	0	682		1
A	0.750	1	0	0	0	1		2
A	1.000	49	19	19	0	49		3
A	1.500	10	0	0	0	10		4
A	2.000	21	1	1	0	21		5
A	3.000	5	0	0	0	5		6
A	6.000	1	0	0	0	1		7
<b>Total Utility</b>		<b>769</b>	<b>20</b>	<b>20</b>	<b>0</b>	<b>769</b>	<b>0</b>	

**METERS**

1. Include in Columns (b), (c), (d), (e) and (f) meters in stock as well as those in service.
2. Report in Column (c) all meters purchased during the year and in Column (d) all meters junked, sold or otherwise permanently retired during the year.
3. Use Column (e) to show correction to previously reported meter count because of inventory or property record corrections.
4. Totals by size in Column (f) should equal same size totals in Column (o).
5. Explain all reported adjustments as a schedule footnote.

**Number of Utility-Owned Meters**

Size of Meter (a)	First of Year (b)	Added During Year (c)	Retired During Year (d)	Adjustments Increase or (Decrease) (e)	End of Year (f)	Tested During Year (g)	
0.625	733	6	1	0	738	90	1
0.750	1	0	0	0	1	0	2
1.000	32	0	0	0	32	5	3
1.500	16	0	0	0	16	3	4
2.000	22	0	0	0	22	3	5
3.000	4	0	0	0	4	2	6
<b>Total:</b>	<b>808</b>	<b>6</b>	<b>1</b>	<b>0</b>	<b>813</b>	<b>103</b>	

**Classification of All Meters at End of Year by Customers**

Size of Meter (h)	Residential (i)	Commercial (j)	Industrial (k)	Public Authority (l)	Wholesale, Inter-Department or Utility Use (m)	In Stock and Deduct Meters (n)	Total (o)	
0.625	589	123	11	5	0	10	738	1
0.750	0	1	0	0	0	0	1	2
1.000	0	23	1	3	0	5	32	3
1.500	0	11	1	2	0	2	16	4
2.000	0	10	7	4	0	1	22	5
3.000	0	1	0	3	0	0	4	6
<b>Total:</b>	<b>589</b>	<b>169</b>	<b>20</b>	<b>17</b>	<b>0</b>	<b>18</b>	<b>813</b>	

**HYDRANTS AND DISTRIBUTION SYSTEM VALVES**

1. Distinguish between fire and flushing hydrants by lead size.
  - a. Fire hydrants normally have a lead size of 6 inches or greater.
  - b. Record as a flushing hydrant where the lead size is less than 6 inches or if pressure is inadequate to provide fire flow.
2. Explain all reported adjustments in the schedule footnotes.
3. Report fire hydrants as within or outside the municipal boundaries.

Hydrant Type (a)	Number In Service First of Year (b)	Added During Year (c)	Removed During Year (d)	Adjustments Increase or (Decrease) (e)	Number In Service End of Year (f)	
<b>Fire Hydrants</b>						
Outside of Municipality	0				0	1
Within Municipality	150				150	2
<b>Total Fire Hydrants</b>	<b>150</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>150</b>	
<b>Flushing Hydrants</b>						
	0				0	3
<b>Total Flushing Hydrants</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	

**NR811.08(5) recommends that a schedule shall be adopted and followed for operating each system valve and hydrant at least once each two years. Please provide the number operated during the year**

Number of hydrants operated during year: 150

Number of distribution system valves end of year: 150

Number of distribution valves operated during year: 150

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## WATER OPERATING SECTION FOOTNOTES

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### Water Operation & Maintenance Expenses (Page W-05)

EMPLOYEE BENEFITS EXPENSE INCREASED DUE TO HEALTH INSURANCE RATE INCREASE

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### Water Mains (Page W-15)

WATER MAINS AND SERVICES WERE FINANCED BY TIF DISTRICT

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